



United States Department of Agriculture

Farm and Foreign Agricultural Services
Risk Management Agency

BULLETIN NO.: MGR-02-008

TO All Reinsured Companies
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Ross J. Davidson, Jr. /s/ May 9, 2002
Administrator

SUBJECT: 2003 Livestock Price Reinsurance Agreement

The Risk Management Agency (RMA) has finalized the 2003 Livestock Price Reinsurance Agreement (LPRA), which consists of: the Reinsurance Agreement; Appendix 1, Federal Directives; Appendix 2, Plan of Operation; and Appendix 3, Quality Assurance Program for LPRA.

In order to execute the 2003 LPRA, two copies of the LPRA must be signed in blue ink by a duly authorized person who is empowered to sign on behalf of the primary insurance company that will be reinsured. The two signed LPRA's and two completed copies of the Plan of Operation must be submitted by May 24, 2002. Please send all required documents to the following address:

USDA/Risk Management Agency
Reinsurance Services Division
E. Heyward Baker, Director
1400 Independence Ave., SW
Room 6727-S, Stop Code 0804
Washington, D.C. 20250

Upon receipt of the properly executed documents, including all documentation requested in the Plan, RMA will evaluate and perform the financial review required by the Standards for Approval (7 C.F.R. § 400.170). RMA will process submissions in the order received and will make every effort to process each LPRA quickly. When the LPRA is approved, one of the originals signed by both parties will be returned along with a copy of the approved Plan.



1400 Independence Ave., SW • STOP 0805 • Washington, DC 20250-0801

The Risk Management Agency Administers and Oversees
All Programs Authorized Under the Federal Crop Insurance Corporation

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Once both parties execute the LPRA, the insurance company executing the LPRA is eligible to sell livestock price insurance policies. Two different plans will be covered by LPRA at this time -- Livestock Risk Protection (LRP) and Livestock Gross Margin (LGM). The marketing area for both the LRP and LGM will be all counties in the State of Iowa.

RMA will begin accepting applications for these two plans as follows:

- LRP – July 8, 2002
- LGM – July 15, 2002

Thank you for your participation in Federal Crop Insurance Corporation's reinsurance program. If you should have any questions regarding this matter, please contact your account executive.

Attachments

cc: Manager's Bulletin Distribution

RMA:DAIS:RSD:MMay:202-690-6215:05/08/02:a:LPRM Mgr Bull 1doc/jeh:05/09/02